

Introduction

Welcome to the Green Book 2000 — a comprehensive guide for financial institutions processing Federal government ACH payments and collections. You will notice the Green Book 2000 has a different look than the previous edition. There are several reasons for this. When the Green Book was last published in the early 1990s, the majority of Federal payments were made by paper check. Today, the vast majority of Federal payments are made via the Automated Clearing House (ACH). In fact, three of every four Social Security recipients receive payments by Direct Deposit, with more and more signing up every day. The Electronic Federal Tax Payment System (EFTPS), today collecting over \$1.3 trillion dollars annually through more than 55 million ACH transactions, was not in existence the last time the Green Book was published.

With this in mind, the Federal government took a major step in April 1999. The Department of the Treasury issued its revised ACH regulation, 31 CFR 210, Federal Government Participation in the Automated Clearing House. Through this revised regulation, the Federal government adopted the National Automated Clearing House Association (NACHA) Operating Rules (with certain exceptions) as the rules governing Federal ACH payments (and annually publishes a notice of acceptance of any NACHA rule changes).

With very few exceptions, Federal government ACH payments are now subject to the same rules as private industry ACH payments. Where appropriate, sections repeating information contained in the NACHA Operating Rules are removed. As a result, the Green Book 2000 is smaller in size. The Green Book 2000 is designed to deal with exceptions or issues unique to Federal government payments. Federal agency contact information is updated and, since so much information is available via the Internet, web site addresses are included where appropriate. Most importantly, the Green Book 2000 is now available on the Internet at www.fms.treas.gov/greenbook. We encourage you to visit the web site for frequent updates and news relevant to Federal government ACH payments.

The ACH regulation, 31 CFR 210, provides the basis for most of the information contained in the Green Book 2000. However, there are other regulations that impact Federal government ACH payments. The following table summarizes these regulations:

Regulation	Governs	Developed and maintained by:
31 CFR Part 210*	Federal Government Participation in the Automated Clearing House <i>Issue Date: April 9, 1999</i>	Financial Management Service
31 CFR Part 208*	Management of Federal Agency Disbursements <i>Issue Date: Sep. 25, 1998</i>	Financial Management Service
31 CFR Part 203*	Payment of Federal Taxes and the Treasury Tax and Loan Program <i>Issue Date: Feb. 3, 1998</i>	Financial Management Service
31 CFR Part 370	Electronic Transactions and Funds Transfers Relating to United States Securities <i>Issue Date: July 26, 1999</i>	Bureau of the Public Debt

* *These regulations are published annually in the NACHA Operating Rules. All regulations are available at www.fms.treas.gov/regs.html.*

We are often asked, “Why green?” It’s really simple. The first publication issued in 1975 dealing with the Direct Deposit of Federal government payments had a green cover. Twenty-five years later, the world of Federal government payments has changed, but the Green Book is still green! We hope you incorporate the Green Book 2000 into your daily operations and visit us frequently at www.fms.treas.gov/greenbook.

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